

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

	)	
In the Matter of	)	IB Docket No. 02-286
	)	File Nos. ISP-PDR-20020822-0029;
<b>GLOBAL CROSSING, LTD.</b>	)	ITC-T/C-20020822-00406
(Debtor-in-Possession),	)	ITC-T/C-20020822-00443
	)	ITC-T/C-20020822-00444
Transferor,	)	ITC-T/C-20020822-00445
	)	ITC-T/C-20020822-00446
and	)	ITC-T/C-20020822-00447
	)	ITC-T/C-20020822-00449
	)	ITC-T/C-20020822-00448
<b>GC ACQUISITION LIMITED,</b>	)	SLC-T/C-20020822-00068
	)	SLC-T/C-20020822-00070
Transferee	)	SLC-T/C-20020822-00071
	)	SLC-T/C-20020822-00072
Application for Consent to Transfer	)	SLC-T/C-20020822-00077
Control and Petition for Declaratory	)	SLC-T/C-20020822-00073
Ruling	)	SLC-T/C-20020822-00074
	)	SLC-T/C-20020822-00075
	)	0001001014

**COMMAXXESS' SUPPLEMENTAL RESPONSE IN OPPOSITION  
TO THE APPLICANTS FOURTH AMENDED APPLICATION FOR CONSENT TO  
TRANSFER CONTROL AND PETITION FOR DECLATORY RULING.**

COMMAXXESS provides the following as a supplemental response to the June 30, 2003 filing submitted by the Applicants as the "Fourth Amendment for Consent to Transfer Control and Petition for Declaratory Ruling" to matters filed before this Commission and the Applicants endless quest to "influence peddle" their way around this Commission.

One of the few profitable divisions of Global Crossing was ConferTech<sup>1</sup>, a \$150 million a year operation and in the black, a novel "profitable" division for the fraud named Global Crossing.

Just yesterday and today the rumors were confirmed as true; ConferTech (Global Crossing Conferencing Center) is being closed down in Westminster, CO and moved to Phoenix and mainly to Montreal<sup>2</sup>.

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<sup>1</sup> [http://www.dyna-denver.com/services/projects/03\\_confer.html](http://www.dyna-denver.com/services/projects/03_confer.html)

## **Employees say Global Crossing laying off 100 workers**

**Written by: Reporter Anita Lopez**

created: **August 27, 2003 - 11:38 AM**

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WESTMINSTER - Communications giant Global Crossings is reportedly planning to close its Westminster facility and lay off more than 100 workers.

9News is waiting for official confirmation from the company. We have learned about this through our news tips line and so far have only been able to confirm this with those who are still currently working there.

Apparently employees were told in a staff meeting Tuesday that 64 people would be laid off by Oct. 31, another 36 by the end of the year and that the Westminster facility would be shut down by Nov. 1.

One particular employee said the group was told that some workers would be transferred to the Denver downtown office; some would be offered work from home options and those laid off would be getting severance packages.

The company plans to concentrate its customer care centers in Montreal, London and Phoenix.

Global Crossing is a worldwide data network carrier that is in bankruptcy. The Westminster office served as a teleconferencing unit supplying audio and video teleconferencing services. About 300 people worked there.

Some of the workers were surprised by the layoff announcement despite the fact Global Crossing has been in financial trouble. Employees say they had recently been told the company was coming out of bankruptcy and that the teleconferencing business was very important and not likely to go.

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## **Global Crossing to cut 100 jobs<sup>3</sup>**

**Telco plans to close giant facility in Westminster**

**By Jeff Smith, Rocky Mountain News**

**August 28, 2003**

Global Crossing plans to cut 100 customer service jobs at its Westminster conferencing business and vacate the massive complex there by year-end.

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<sup>2</sup> <http://www.9news.com/storyfull-bus.asp?id=18047>

<sup>3</sup> [http://www.rockymountainnews.com/drmn/business/article/0,1299,DRMN\\_4\\_2215304,00.html](http://www.rockymountainnews.com/drmn/business/article/0,1299,DRMN_4_2215304,00.html)

About 30 of the employees will have the opportunity to relocate to a Phoenix center, the New Jersey-based company said.

Global Crossing said the 200 remaining employees, who work in product management, sales and marketing at the Westminster site, will be retained but moved either to the company's downtown Denver location or another site to be determined.

"We are consolidating our offices a bit, but we will keep a significant presence in Denver," said Global Crossing spokeswoman Rebecca Yeamans. "We're moving our customer care to three other facilities: Montreal, London and Phoenix."

Tom Clark, president of Metro Denver Network, the economic-development arm of the Denver Metro Chamber of Commerce, called the announcement a blow to the local economy.

Clark estimated that the loss of 100 jobs would have a direct and indirect economic impact of \$15 million.

"You'll feel that one," Clark said. "It means we'll have to redouble our efforts."

As recently as April, Global Crossing executives were touting the center at West 120th Avenue and Pecos Street as among the most advanced in the industry in monitoring and operating video conferences around the world.

The center uses video streaming over the Internet as well as more traditional phone line technologies.

Global Crossing, along with other providers such as Raindance Communications, ACT Teleconferencing and Genesys, have made the Denver area a veritable hub for the conferencing industry.

Yeamans said Global Crossing doesn't break out the financial performance of its individual units, but that the company overall has been affected by delays in emerging from bankruptcy reorganization.

But the changes in Colorado would have been made anyway, she said, because they make business sense.

Ultimately, this will benefit the customers and allow us to grow in a more effective manner, she said.

Yeamans said the first phase of the consolidation will be completed by the end of October and the remainder by year-end.

She said Global Crossing leases the Westminster complex. The square footage wasn't immediately available.

Global Crossing is perhaps best-known as the telecommunications company being investigated for questionable network capacity swaps with Denver-based Qwest Communications and others.

A congressional committee investigating the swaps last year said it believed Global Crossing and Qwest had entered into transactions that had artificially inflated their revenue, but the committee has yet to issue its final report. Committee spokesman Ken Johnson said recently that the report should be issued by year-end.

## **About the unit**

- Global Crossing's Westminster video- conferencing unit pitches its SmartRoute IP to connect to its global network of 27 countries and 200 cities.
- The company's offices at West 120th Avenue and Pecos Street will be closed and some workers relocated to undetermined sites.
- An estimated 100 workers will lose their jobs as part of the company's consolidation.

Actually, Global Crossing stopped making technology upgrades and was losing business to competitors as they de-emphasized the profitable subsidiary. The above article has details but not all are factually accurate. They de-emphasized a profitable operation while focusing more on this bankruptcy charade and strategy to blow out the shareholders, impair the creditors and make sure only their buddies were participating in the backside of the deal. That is what “management friendly” bankruptcy cases are all about; rob the bank once and make sure they stay in place to do it again if desired.

An offer to purchase the conferencing division was rejected by Global Crossing management well before the bankruptcy was filed.

If one wishes to devalue a company for a cheap, underhanded takeover in bankruptcy, just impair or close down profitable divisions. Short the stock and debt securities into the grave from offshore locales, like Montreal, Toronto, the Caribbean, etc. Sell off huge chunks at a loss (Frontier) and then write down the difference between the “inflated roll-up purchase” and the “deflated spin off sale” to deny common shareholders ownership in the company they own. Refuse to sell subsidiaries to where cash would help a balance sheet and by keeping it and devaluing it a larger end may be achieved.

Virtually give away IXNet Asia and IPC Asia to a new China Netcom dba: Asia Netcom owned by PRC interests, Goldman Sachs and the Government of Singapore. Knowing of course in advance who the end buyers are to be and they are your insider underwriters, creditors and buddies all self-dealing on the carcass. Sell off IPC Information Systems to Goldman Sachs less than 60 days before bankruptcy is filed knowing that none of the creditors will be allowed by the Unsecured Creditors Committee to pursue the recovery of that asset of the debtor estate. They all have the same vested financial futures in China too.

To really create a log jam, leave \$600,000,000 million in Frontier debt on the books after Frontier was sold to Citizens Communications and have that class of creditor as the spoiler and blocking every attempt at doing a better deal for all creditors. That alone enhanced the value of Citizens Communications unfairly and has been used to hammer all GX creditors.

That Conferencing Center relocation was a business commitment Li Ka-shing made to his liberal political recipient Jean Chretien during the early stages of this charade. It was on the Canadian news while this Respondent was in Canada on business, the relocation of U.S. jobs to Montreal. If anyone thinks Li Ka-shing is out of the Global

Crossing deal, they need a reality check or grasp why they are laughing at our regulatory and law enforcement processes.

Even the State of Oklahoma action to pursue criminal charges against WorldCom and Ebbers has met resistance from federal investigators<sup>4</sup>.

"In New York, U.S. Attorney James Comey, who is prosecuting the five executives, expressed concern that the Oklahoma charges could interfere with federal actions.

"In the name of cooperation and coordination, we are disappointed that we were not told that charges were imminent, as we have enjoyed a cooperative relationship with the Attorneys General of other states," Comey said in a statement. "Competing interests can impede and delay the administration of justice."

The Securities and Exchange Commission said it was "disappointed" by the state action.

"Our goal and our hope is to coordinate federal and state enforcement actions in a manner that results in the most effective and efficient enforcement possible for violators of our securities laws," the SEC said in a statement."

Maybe it is because many of us American citizens no longer have faith that anything but a whitewash to accommodate the fleecing of America is in progress in our national capital, our institutions and our courts. Maybe many of the U.S. citizens do not see justice or even attentiveness or caring or concern happening. Maybe "the administration of justice" is an illusion that many Americans are seeing quite clearly these days.

Is Washington, DC so detached from the reality of the rest of America that it cannot see, feel or grasp the realities of what has been done to literally tens of thousands of American workers, investors, families? Does Washington, DC think that Americans find any solace in the fact that markets have been manipulated, fines handed out by Eliot Spitzer, NY Attorney General to the tune of \$1.44 billion (for New York State, not investors) and by the SEC to the tune of \$1.4 billion and about \$400,000,000 of that was investor recovery funds?

Are those appropriate fines when amounts reaching or exceeding \$100 billion were wrongfully taken by a Greed Machine, lives left in financial ruins and our regulators and legal authorities can only seek, find or levy miniscule penalties that have no meaningful results for the many victims of those acts? Many American citizens have had their lives completely upended and the fines and "enforcement" are not near enough. Using an "out of sight, out of mind" approach to rebuilding confidence in our markets will never work so long as the predators are allowed to remain free and do it again knowing they will receive little if any punishment.

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<sup>4</sup> <http://www.9news.com/storyfull-bus.asp?id=18080>

The antithesis of justice is what Americans are witnessing.

This Commission should note; jobs being imported out of the United States as if our citizens have not had to endure enough already.

Soon Aegon, Goldman Sachs, and others can conference through a non-U.S. point and rarely be monitored from the United States. This is not about customer services, it is about teleconferencing and putting that squarely under the control of a new “reverse roll-up” business plan and not a plan that is sound for U.S. national security interests.

Would sensitive U.S. teleconferences be routed through Montreal? How would users of such a service even know? If WorldCom could do it at will, why shouldn't Global Crossing since they have gotten away with everything thus far?

London, Montreal and Phoenix; who is in Phoenix? The folks at Pivotal Private Equity<sup>5</sup> and Pivotal Telecom, the proposed buyers of Pacific Landing Ltd and staffed with former Citigroup, former IXNet and former Goldman Sachs personnel.

The entire argument (threat) that 5,000 jobs would be lost if GX management does not get their way seems to be totally contradicted and rather hollow by an intentional move to take jobs out of Colorado and move them to Montreal.

Respectfully submitted,

Karl W. B. Schwarz  
Chairman, Chief Executive  
501-663-4959

Dated: August 28, 2003

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<sup>5</sup> COMMAXXESS response, June 6, 2003 regarding June 5 Pivotal / Pacific Crossing announcement, \$63 million for the \$1.3 billion network portion.

## **CERTIFICATE OF SERVICE**

I, Karl W. B. Schwarz, hereby certify that on this 28th day of August 2003, I caused a true and correct copy of the foregoing Supplemental Response In Support of National Security Issues to be served on the following parties in the manner indicated:

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